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COMMITTEE FOR PROGRAMME AND COORDINATION
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Agenda item 9

# ADOPTION OF THE REPORT OF THE COMMITTEE ON ITS RESUMED THIRTY-SECOND SESSION

Draft report

Addendum

Rapporteur: Sally E. MOSS (Bahamas)

## II. PROGRAMME QUESTIONS

### Proposed programme budget outline for the biennium 1994-1995

The Committee, at its 22nd to 26th meetings, from 31 August to 2 September, considered the report of the Secretary-General containing the proposed programme budget outline for the biennium 1994-1995 (A/47/358).

### Discussion

1. In introducing the proposed outline, the Under-Secretary-General for Administration and Management stressed that the outline was not a budget or a summary budget but an indication in order to facilitate the preparation and adoption of the programme budget. The outline as a budget tool was still in a developmental stage.

2. The Committee was informed that the additional priorities proposed in the document were closely linked to the priorities established in General Assembly resolutions 45/253 and 45/255. A number of delegations considered that other priorities should have been included in the proposal. Some delegations considered that the priorities should be maintained as earlier established.

3. A number of delegations expressed concern about the apparent absence of significant change proposed in the budget outline. Concern was also expressed about the manageability of the total number of established posts. Some delegations also considered that the outline should have included the impact of the first phase of the restructuring of the Secretariat.

4. A number of delegations emphasized the importance of proper redeployment to enhance the effectiveness of the Organization.

5. Some delegations inquired about the reasons for the increase in the indicative estimates for the Department of Public Information.

6. With regard to the decrease in the appropriation for common support services for the biennium 1994-1995, one delegation, while recognizing the necessity for redeployment, wished to emphasize the importance of maintaining a high standard of services.

7. With regard to the US$ 28 million proposed as the budgeting upfront of future preventive diplomacy and peacemaking missions, the Secretariat informed the Committee that it considered this provision to be a budgeting of perennials whose expenditures were subject to approval of the related mandates by the General Assembly. A number of delegations supported this approach, while others questioned whether the usual arrangements for unforeseen and extraordinary expenditure would not suffice.

8. One delegation proposed that the CPC should resume its work on priority-setting, pursuant to General Assembly resolution 44/194, section II.

9. A number of delegations stressed the importance of zero real growth dynamically applied. They recalled the decisions previously taken by the General Assembly as well as the situation in other organizations of the United Nations system. A number of delegations emphasized that there was no principle of zero real growth as such and that the rate of growth and the preliminary estimate were purely indicative.

10. A number of delegations endorsed the statement of the Secretary-General that peace and security on the one hand and economic and social development on the other were so closely interlinked as to be indivisible.

11. Some delegations emphasized the need to clarify the relationship between priorities and the allocation of resources.

12. A number of delegations stated that the overall level of the budget and the real growth rate should be considered, bearing in mind the magnitude of extrabudgetary financing.

Conclusions and recommendations

13. The Committee felt that future outlines should provide more information on the programmatic assumptions underlying the proposals, as well as in general terms, and on the proposed direction of the programmatic content of the activities.

14. The Committee examined the outline using as a framework the four aspects listed in paragraph 1 of the proposal of the Secretary-General (A/47/358).

Estimate of resources

15. The Committee noted the preliminary estimate proposed by the Secretary-General in paragraph 4 of his report.

16. The Committee recommended, in accordance with its mandate, that the General Assembly consider the preliminary estimate of resources submitted by the Secretary-General as a basis for a decision, taking into account the following:

(a) The decision of the General Assembly with respect to revised estimates reflecting actions taken for the restructuring of the Secretariat, which continues to be implemented, in accordance with General Assembly resolution 46/232 and other relevant resolutions of the General Assembly, including those that may be adopted at the forty-seventh session;

(b) The Committee took note of the Secretary-General's statement (A/47/358, para. 7) that significant changes in staffing levels were not projected for the biennium 1994-1995, and that additional requirements would be met through redeployments in the context of the preparation of the proposed programme budget. The Committee stressed that programme delivery and the efficient and effective implementation of all mandates by the Secretariat should not be affected;

(c) The Committee stressed that the resources proposed should accommodate the mandates and the proposed programme of activities during the biennium, and noted the assurance given by the Secretariat in this regard. In this connection, the Committee noted that the projected impact in 1994-1995 of existing or anticipated mandates from the General Assembly had been taken into account in the preparation of the outline; 1/

(d) The Committee noted that the estimate of resources was presented at 1992-1993 initial prices and did not include the effects of inflation and currency fluctuations recosted at 1992-1993 revised rates, which would be available at the end of 1992;

(e) The recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), as required by the General Assembly in resolution 41/213, to be submitted in accordance with its mandate;

(f) The Committee noted that the preliminary estimate proposed in document A/47/358 was of a global and indicative nature and that the breakdown of estimates for 1994-1995 by major programme was only illustrative;

(g) The Committee stressed that the budget outline, while still in a developmental stage, played an important role with regard to the predictability of resources for the forthcoming budget and early involvement of Member States, as called for in General Assembly resolution 41/213.

17. The Committee recommended that the treatment of perennial activities referred to in paragraph 6 of the proposed programme budget outline be considered further by the relevant bodies and that the preliminary estimate of resources and the rate of growth be recalculated, as appropriate.

18. The Committee further recommended that ACABQ keep under review the question of procedures for the commitment and use of such perennial expenditures.

Priorities

19. The Committee noted the proposals in paragraphs 10-12 of document A/47/358 and recommended that they be considered further by the General Assembly in the light of paragraph 12 of Assembly resolution 45/253, which includes the overall priorities reflecting broad trends as derived from the mandates of the legislative organs, contained in the introduction to the plan, as well as the views expressed by Member States thereon, in particular, in paragraph 5 of resolution 45/255.

Growth

20. The Committee noted that, compared with the projected revised estimate for the biennium 1992-1993, growth was calculated at 0.2 per cent. This rate could change subject to the provisions of paragraph 15 (a) to (g) above.

21. The Committee was informed that under the current methodology, the rate of real growth would be higher. The Committee believed that the considerations contained in paragraph 15 (a) to (g) could contribute to the reduction of real growth as calculated under the existing methodology, and invited the Secretary-General to take this into account when preparing his proposed programme budget for the biennium 1994-1995. This programme budget should also recognize the importance for the Organization to fulfil with maximum efficiency and cost-effectiveness all mandates entrusted to it by Member States and to respond to changing circumstances, including the new challenges it faces.

22. The Committee requested further clarification of the method of calculation of real growth. In this connection, the Committee considered that ACABQ would study the new methodology, including the concept and implementation of capital expenditure. The Committee also considered that additional methodological changes, such as the question of delayed impact, should be further examined by ACABQ and the General Assembly.

Contingency Fund

23. The Committee endorsed the size of the Contingency Fund expressed as the percentage proposed by the Secretary-General.

24. The Committee recommended that the working of the Contingency Fund be kept under review.

Other issues

25. The Committee noted the significance of staff assessment and capital expenditures in the total preliminary estimate and requested that they be considered by the competent bodies of the General Assembly at its forty-seventh session, including the Advisory Committee on Administrative and Budgetary Questions and, as appropriate, the International Civil Service Commission, on the basis of information to be provided by the Secretariat.

Notes

1/ See A/47/358, para. 6 (a).

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